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SUMMARY

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PLANNING MANAGEMENT DEVELOPMENT IN INDUSTRIALIZING COUNTRIES

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PLANNING MANAGEMENT DEVELOPMENT IN INDUSTRIALIZING COUNTRIES

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1. The whole process of rapid industrialization of a country can succeed only when and if there are adequate numbers of effective managers to manage that industrialization. The prime requirement of every effective plan from the national level down to the individual corporate level is for able professional managers who are trained to analyze complex economic, social, and political situations; to make decisions; and to follow them up. Lack of the required numbers and quality of managerial talent is, in most cases, the prime cause of failure or retardation of a plan of development. Moreover, expatriate talent at the managerial level is a temporary solution at best.

2. It is the thesis of this paper that such indigenous management development must be planned, that it must largely be based on indigenous institutions, and that help and support given by more advanced industrial countries must be carefully integrated into a total plan or it may be actually more harmful than helpful.

3. The case for unplanned management development is a poor one and can be disastrous to a country seeking development. The major reasons for this are, first, unplanned methods will not produce the numbers required, and, second, there is strong evidence that old methods and old mistakes inappropriate to rapid development are perpetuated and become more firmly entrenched if new approaches and new ideas are not interjected. Third, the opportunities of a rapidly developing society often create inappropriate styles of business leadership.

4. The difficulties of constructing patterns of planned management development, on the other hand, are many. Precisely because new patterns of human activity must be quickly established, there is often a conflict with existing patterns of culture and social norms. This is true to a much greater extent in the management development case than if technical skills alone were involved.

5. It is this linkage between management and environment that confronts us in the proposition that all or a major part of managerial training can be done in foreign institutions. Important contribution can be made by foreign training placement, of course. The well-organized education in management in a foreign environment can be helpful if the following conditions are met: (a) Careful selection of the men to be trained and educated; (b) Effective placement in a sufficiently demanding institution; (c) Continued contact with the home environment; (d) Placement and follow-up on the man's progress upon his return. These conditions can be more effectively met if there are dynamic vehicles for training and education in the man's own country.

6. However, the total management needs of their countries cannot be met in foreign placement because the home environment is not taken well enough into account, and even where it can be, the numbers potentially trainable in foreign situations will become increasingly inadequate to meet the needs envisioned. In short, this valuable foreign training vehicle must be well used as an ancillary vehicle rather than the principal base for planned management development. How, then, should the outside resource contribute to the development of managers?

7. Essentially, the outside source should serve as a consultant or specialized resource and always as a part of an over-all plan in which the basic administration of the program is the responsibility of the country involved. The involvement of personnel from outside the country will probably be critical to the success of a total development plan, but the requirement must always be that these personnel are fully qualified. Second-rate talent, either because of lacking technical or psychological qualifications, simply will not be able to make the contribution required. This raises a major problem, of course, for the contributing country. The problem of attracting high-grade foreign talent to help in the development of local institutions and individuals is the most severe restriction facing the developing country. If it can be solved, the several problems of developing institutional arrangements within the country are open to solution. Possible areas of collaboration are described in detail. They include planning for institutional development; developing programs of education for primary education in management, middle management, and top level management; developing new methods of education and criteria for appraisal of performance; developing faculties and creating a market for graduates of management programs.

8. Some general principles emerge from this discussion of the relationship between the foreign agency and the developing country. They are as follows: (1) The local program should be concerned with the development of several levels of management; (2) There is room and need for participation from universities and the private sector as well as government; (3) Attention must be given to the problem of the market for managers, both junior and senior; (4) All programs should have local sponsorship; (5) Foreign personnel participating in the programs must be of first-rate competence; (6) Early consideration must be given to the problem of process of transition from foreign faculties to the local faculty; (7) Long-term ties between a foreign educational base may well serve the objectives of the developing local institutions.

9. Finally, it seems to me that the newly developing countries must be expected to make a creative contribution to the developing science of management. There is an urgent need for new theory and practice in the field of management, and it is confining to assume that we face only the problem of transferring existing knowledge from one society to another. Indeed, we have to expect that the situations posed by rapid development offer outstanding opportunities for innovation not found in already industrialized countries. We need the creativity implicit in the challenges of the new societies in this field as well as in others.

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